



Seattle District Office *SBA Reporter*

Your Small Business Resource

April – May 2007 #25

U.S. Small Business Administration Seattle District Office

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provided to the public on a nondiscriminatory
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WSBDC Gets Funding

On May 15 the [Washington Small Business Development Center](#) became the 58th lead center in the national SBDC network to receive direct state support. Gov. Chris Gregoire signed legislation providing the WSBDC network sponsor, Washington State University, with \$757,000 over the biennium. The funds will support three new counseling sites in Aberdeen, Pullman, and Kelso/Longview. Funds will also be directed to sites in Bremerton and Des Moines that have been operating without SBA funding.

SBDC lead centers typically receive half their funding from the SBA and the other half from state legislatures and community economic and business development partners in the states they serve. There are currently 26 SBDC-certified business advisors providing business start-up and expansion counseling and training at 24 sites in Washington.

WSBDC Director Brett Rogers said in addition to the direct SBDC funding, the Legislature approved first-time funding of \$695,000 to help conduct economic development research at [Western Washington University's SBDC](#) site in Bellingham.

Small Business Success Honored Nationally and in Seattle

Small Business owners from around the nation converged in Washington, D.C., for the annual National Small Business Week celebration April 23-24, while in Seattle Washington State business owners and advocates were honored May 11 for their successes. Two Native American sisters from Lumberton, N.C., owners of Native Angels Home Care and Hospice, were named National Small Business Persons of the Year. For their story and highlights of the two-day Washington, D.C. event, go to www.sba.gov/sbw.

Washington State Small Business Person of the Year [Karen Say](#) attended both ceremonies. In Washington, D.C., she was among 52 of her peers – business persons of the year from each state and from the District of Columbia, Guam and Puerto Rico. Also attending both functions were the national Young Entrepreneurs of the Year, Jeremy Ames and David Nilssen.



SBA Deputy Administrator Jovita Carranza, Jeremy Ames, David Nilssen and SBA Administrator Steven C. Preston at National Small Business Week awards ceremony.

Their business, Guidant Financial, won Washington State and SBA Region X honors before competing for and winning the national award. The two inspirational young entrepreneurs are both still under the age of 30 – an essential qualification for the award. They run their business and four affiliate offices from their corporate headquarters in Bellevue.

Ames and Nilssen founded their firm in 2003 to provide individuals and businesses with more options for their retirement investing.

SBA Lenders Recognized for Small Business Lending Efforts

Washington State lenders received honors at the 2007 SBA Small Business Awards Gala for their leadership in providing SBA-guaranteed financing for new and expanding business: **Bank of America** and **Mountain West Bank**, Top 7(a) Lender and Top 7(a) Community Lender respectively; **Banner Bank**, Top 504 First Mortgage Lender; **US Bank**, Top Combination 7(a) and 504 Lender. The New Comer Lender Award went to **Innovative Bank** for their expansion into the Seattle District Office lending territory.

SBA AND PARTNER NEWS AND TRANSITIONS

Carol "Cha Cha" Andersen has been named public information officer for the Seattle District Office. **Patty Jordan**, who performed the district-wide media relations functions from the Spokane Branch Office, is focusing upon presentations and marketing the SBA in Eastern Washington.

Meanwhile, **Linda Laws** is the new District Office Technical Representative (DOTR) and **Sherry Mina** is performing the Women's Business Ownership Representative (WBOR) and WNET (Women's Network Entrepreneurial Training) functions for the office. Andersen performed these duties in support of the office's women's business ownership programs for the last 15 years, including startup of WNET and expansion of the Women's Business Centers in Washington State.

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Lisa Vincent has been hired at the recently formed [Ameritrust CDC](#) as the Regional Account Manager for Eastern Washington.

CDC's are non-profit economic development corporations that provide long-term fixed-asset financing through the SBA 504 loan program. Vincent has 17 years of community bank experience, the last 5 1/2 working in the 504 program. She received her Pacific Coast Banking School degree in 1998. She also teaches small business workshops for Columbia Basin Community College in cooperation with the SBA and the [Tri-City Industrial Development Council](#) in Kennewick. She can be reached at 509-469-5040 or via email: ameritrustcdc@aol.com.



Lisa Vincent

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SBA Administrator Steven C. Preston has named **Anoop Prakash** as associate administrator for the SBA's Office of Entrepreneurial Development. Prakash served most recently as vice president of Strategy and Business Development for LexisNexis Special Services, Inc. in Washington, D.C.

The office oversees SBA's resource partners, including the Small Business Development Centers, Women's Business Centers, SCORE, Business Initiatives and the Small Business Training Network. Mr. Prakash is a native of St. Cloud, Minn., and currently resides in Silver Spring, Md. He earned an MBA from Harvard Business School and a BA in economics and public policy from Stanford University.

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Cheryl Sesson is the new executive director of [Washington CASH](#), an SBA microlender headquartered in Seattle. She has been a consultant for non-profit agencies and is the former Executive Director of FareStart, a job training program serving homeless men and women. She has her Master's in Nonprofit Leadership from Seattle University and is an adjunct professor there, teaching courses in strategic planning for nonprofits. Washington CASH provides business training courses and microcredit lending services from \$500-\$5,000, and larger loans up to \$35,000.

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The [Washington State Procurement Technical Assistance Center](#) has announced the hiring of a new counselor. **Alice Davis** provides government contracting assistance at [Community Capital Development](#) in Seattle. Davis previously worked for CCD from 2000 – 2004. She returns to take the position vacated by **Rachel Fischer**, who left for a similar job in San Diego.



SBDC Counselors Awarded

[Washington Small Business Development Center](#) Director Brett Rogers has announced the winners of 2006 awards to WSBDC certified business advisors. The \$20 million, \$10 million, \$5 million and \$1 million club awards and 100 jobs club awards represent the amount of funding obtained by clients or the number of jobs created or saved with a CBA's assistance.

Nineteen advisors were honored with awards, four receiving the 100 Jobs Club award. The \$20 Million Club award recipient was **Tom Dorr** (Western Washington University SBDC.) Dorr also won a 100 Jobs Club award, along with **David Young** (WSU Seattle SBDC), **Corey Hansen** (Bellevue Community College SBDC), and **Rick Thorpe** (WSU Spokane SBDC). The complete run-down of the award winners is available at <http://www.wsdbc.org/news2766.snap>.

Franz Wins Star Award

Washington SBDC Certified Business Counselor **Michael Franz** was awarded the organizations highest honor at the 2007 Small Business Awards event in Seattle: the WSBDC Star Award.



Brett Rogers, Michael Franz and SBA District Director Nancy Gilbertson

Franz is the first SBDC counselor in the network to have received the award twice, last time in 1999. As the WSBDC network winner Franz will also be recognized as a Star Performer at the [Association of Small Business Development Centers](#) conference in Denver in September. He received similar recognition in 2001.

Franz has been with the WSBDC since 1998 and is co-located with the Seattle SBA.

Loan Seminars Expanded; Available on the Web

The SBA Seattle District and Spokane Branch offices have expanded the availability of free Business Loan Briefings for information about financial resources to start, expand or buy a small business. Those who can't attend in person may participate from the comfort of their home or office via ReadyTalk, a telephone audio and Web-based conferencing service that allows these seminars to be conducted remotely.

Loan briefings will be held at SBA offices the first and third Thursdays in Spokane, and the second and fourth Thursdays in Seattle. At [each location](#), the briefings start promptly at noon and last about an hour. Preregistration is not required. Call SBA in Spokane at 509-353-2800 or SBA in Seattle at 206-553-7310 for more information.

To call in and log on to these sessions, dial toll-free, 1-866-740-1260. When prompted, enter the Participant Login Access Code of 3109402 to join the conference call. On the computer log onto www.readytalk.com. Type the same Participant Login Access Code of 3109402 in the box on the left. Fill in a simple participant registration form to join the live session and view the PowerPoint presentation.

Loan briefings are also offered in Tacoma every 3rd Thursday and are expanding into other communities on an as-announced basis. Dates for these and other training events can be found on [Seattle's SBA training calendar](#).

SBA Offers New Business Start-up Tool

The SBA has launched a new Web-based training tool to help individuals who are thinking about starting a small business or who are in the early stages of running a business. The **Small Business Primer Strategies for Success** is a self-paced assessment tool available through the SBA's Small Business Training Network, a virtual campus of business courses, trainings, education resources, learning tools and information assistance at www.sba.gov/training. The course provides links to more than 40 resources and small business tools, such as a business plan template and an automated balance sheet guide. To evaluate your business readiness, go to www.sba.gov and click on "New Free Online Course."

Lorin Smith, U.S. Army, Thanks District Office; Talks about Life in the War Zone

Staff Sergeant Lorin Smith, son of SBA District Office Information Technology Specialist Larry Smith and his wife Laurel, was home from Iraq for two weeks in May and visited the district office to meet with SBA staff.

For several months, almost since the beginning of Smith's deployment in August to Logistics Support Area Anaconda near Bagdad, staff members led by Shirley McGinnis have sent care packages to Lorin and his comrades in the 36th Combat Aviation Brigade – approximately 25 boxes in seven shipments. To show his appreciation, Smith presented the office a U.S. flag flown in Iraq.



Larry Smith, Lorin Smith, Shirley McGinnis and Laurel Smith

Smith said the packages received from the Seattle DO have been and continue to be a morale booster. "Whether you support the war or are against it ... all the items you have sent have made an impact and we are very grateful," Smith said. "You've helped us get through the good times, and the very bad."

The items donated by staff members and friends have not only included necessities such as toiletries and treats for the 3,000+ troops at the base, but toys and gifts that the soldiers have distributed to Iraqi children. Smith's deployment is scheduled to end in August and he is planning to attend the University of Washington to study journalism. He is currently deployed as a public affairs officer.

SBA, Washington WorkSource Partnership Grows

A partnership between the SBA and the Workforce Development Council of Seattle-King County to provide entrepreneurial training and employer development marks its second anniversary in June. The model in King County has the potential to expand into other WDC districts in the state as the result of [legislation](#) passed by the Washington Legislature this year that adds entrepreneurial development to workforce development programs.

Darlene Robbins of the SBA District Office said the concept is simple, "Not all people on unemployment may want a job. Some may be entrepreneurial." From that premise Robbins and representatives of [WorkSource Seattle-King County](#) developed two programs: a series of business startup workshops held in WorkSource offices and business management training classes for employers.

Anna Moffitt, WorkSource Seattle-King County Integration Manager, said the partnership makes sense. "People starting successful businesses will look to WorkSource for employees as their businesses grow. The partnership has worked wonderfully in King County and has the potential to work elsewhere in the state."

The next business training session is June 21, 8-10 a.m. at the Downtown Seattle office. WorkSource entrepreneurial training workshops are the fourth Tuesday, 2-4 p.m. at North Seattle; the first Wednesday 10 a.m.-noon at Renton, and; the third Friday, 1-3 p.m. at Auburn. The schedule is posted at www.worksourceskc.org.

FINANCIAL WATCH: LENDER NEWS AND REVIEWS

Final Regs Published for Liquidations

The final rule regarding servicing, liquidation and guaranty purchase activities for 7(a) lenders and Certified Development Companies went into effect May 14. Lenders may access the regulations as text or PDF documents by clicking on the following links: [\[TEXT\]](#) [\[PDF\]](#). In addition, information about the SBA liquidation center and forms are available at www.sba.gov/banking.

Among the changes considered is coordinating with the FDIC to conduct periodic loan sales. Section 120.546 addresses loan asset sales of both 7(a) and 504 loans.

Relationship Lending Helps Small Banks

A recent report from the SBA's Office of Advocacy reveals a positive correlation between market valuations and investment in relationship lending by smaller publicly-held banks. Written by Dr. Joe Peek with funding from the Office of Advocacy, *The Value to Banks of Small Business Lending* concludes, "Small business lending is a profitable market niche for small publicly traded banking

organizations." Adds Dr. Chad Moutray, Chief Economist for the Office of Advocacy, "The market values the added profit that comes from personally knowing small business customers and being able to offer them loans and services not obtainable from other banking organizations." The full report on this and other Advocacy-funded studies is at www.sba.gov/advo.

Loan SOP to be Updated

Based upon feedback received from internal and external sources that the 800-page long regulatory guidebook for SBA loan processing is difficult to use, plans for the first full-scale revision of SOP 50 10 have been announced.

As part of phase 1 of the SOP 50 10 Modernization Project the SBA's Office of Capital Access is seeking specific suggestions regarding the document's structure, the types and amounts of information required for SOP 50 10, information that could be included in other materials (e.g., FAQs), and use of technology. Comment letters should be sent to the following e-mailbox: SOP50-10modernization@sba.gov.

Seattle District Office Lender Ranking through April 30, 2007 (31 or more loans)

Rankings for all 7(a) lenders in the Seattle District can be found at http://www.sba.gov/wa/seattle/SE_NEWS.html.

Bank of America, National Association	Charlotte, N.C	321	7,125,700
U.S. Bank National Association	Minneapolis	292	27,233,400
Wells Fargo Bank, National Association	Minneapolis	89	14,415,000
Washington Mutual Bank	Seattle	81	2,425,200
Capital One, Federal Savings Bank	McLean, Va.	77	3,730,000
Mountain West Bank	Coeur d'Alene, Idaho	78	9,471,935
KeyBank National Association	Cleveland	52	9,761,600
Panhandle State Bank	Sandpoint, Idaho	31	6,325,700
Additional 74 lenders with 1-30 loans		442	\$161,038,487
TOTAL 7(A) LENDING ACTIVITY		1,463	\$241,527,022

504 Loans by CDCs

Evergreen Community Development Assoc.	Seattle	55	43,743,000
Northwest Business Development Assoc.	Spokane	44	25,945,000
Ameritrust CDC	Seattle	4	2,512,000
Capital Matrix, Inc.	Boise	3	796,000
EDF REsource Capital, Inc.	Folsom, Calif.	1	1,055,000
TOTAL 504 LENDING ACTIVITY		107	\$74,051,000

Leading commercial lenders in the 504 program

GE Real Estate	Stamford, Conn.	10	\$14,400,505
Zions First National Bank	Salt Lake City	7	\$3,391,505.00
Bank of America, National Association	Charlotte, N.C.	6	\$3,484,944.00
Total 504 First Mortgage Lending (50 lenders)		107	\$113,556,082

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